



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2011 Biennium

<b>Bill #</b>	SB0350	<b>Title:</b>	Revise laws on HIV testing
<b>Primary Sponsor:</b>	Gillan, Kim	<b>Status:</b>	As Introduced

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns              |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts           | <input type="checkbox"/> Dedicated Revenue Form Attached |

### **FISCAL SUMMARY**

	<b><u>FY 2010 Difference</u></b>	<b><u>FY 2011 Difference</u></b>	<b><u>FY 2012 Difference</u></b>	<b><u>FY 2013 Difference</u></b>
<b>Expenditures:</b>				
General Fund	\$43,335	\$46,542	\$49,440	\$52,406
Federal Special Revenue	\$89,961	\$96,752	\$100,331	\$106,352
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
Federal Special Revenue	\$89,961	\$96,752	\$100,331	\$106,352
<b>Net Impact-General Fund Balance:</b>	<u>(\$43,335)</u>	<u>(\$46,542)</u>	<u>(\$49,440)</u>	<u>(\$52,406)</u>

### **Description of fiscal impact:**

SB 350 revises laws on HIV testing and provides that screening for HIV-related conditions be considered routine for both general medical and prenatal care, and that it be incorporated into the patient's informed consent.

### **FISCAL ANALYSIS**

#### **Assumptions:**

#### **Judicial Branch**

1. This legislation revises laws on HIV testing.
2. The modification in section 8 of this bill doesn't change existing law regarding civil remedy which allows the individual aggrieved by a violation the right of action in District Court.
3. This bill has no fiscal impact to the Judicial Branch.

**Department of Corrections**

4. This bill would require the department to ensure that routine testing for HIV is taking place. The department is currently doing routine HIV testing during intake at all secure facilities; therefore, there will be no fiscal impact.

**Department of Public Health and Human Services**

5. For FY 2008 there were 20,804 eligible Medicaid recipients between the ages of 16 and 35 excluding pregnant women.
6. Based on trends, it is estimated that 10% of these 20,804 (2,080) would elect to have the HIV screening test.
7. In FY 2008 there were 4,893 Medicaid qualified pregnant women. Of these, 527 were tested for HIV, leaving 4,366 untested.
8. For FY 2009, 40 CHIP members will have live births. This number is used for the estimated annual HIV testing for CHIP members.
9. Therefore, the total number of persons estimated to be eligible for new testing is 6,486 (2,080 + 4,366 + 40).
10. The present cost of the initial HIV screening test for CHIP is \$24.02, and for the adult population is \$19.17. We have used a 6% annual inflation rate.

<b>SB 350 HIV TESTING</b>				
<b>CHIP</b>				
	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
# of Recipients	40	40	40	40
HIV cost per test	\$24.02	\$25.46	\$26.99	\$28.61
<b>Total</b>	<b>\$961</b>	<b>\$1,018</b>	<b>\$1,080</b>	<b>\$1,144</b>
<b>Pregnant Women</b>				
	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
# of Recipients	4,366	4,366	4,366	4,366
HIV cost per test	\$19.17	\$20.32	\$21.54	\$22.83
<b>Total</b>	<b>\$83,696</b>	<b>\$88,718</b>	<b>\$94,041</b>	<b>\$99,683</b>
<b>Ages 16 - 35 ( pregnant population excluded)</b>				
	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
# of Eligible Recipients	20,804	20,804	20,804	20,804
Estimated 10% Utilization	2080	2080	2080	2080
HIV cost per test	\$19.17	\$20.32	\$21.54	\$22.83
<b>Total</b>	<b>\$39,881</b>	<b>\$42,274</b>	<b>\$44,811</b>	<b>\$47,499</b>
<b>Above Groups Combined</b>				
	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
<b>Total</b>	<b>\$124,538</b>	<b>\$132,011</b>	<b>\$139,931</b>	<b>\$148,327</b>

11. The benefit funding for HIV testing is based on the Federal Medical Assistance Percentage (FMAP), in the following amounts:

**Benefit Funding HIV Testing**

Fiscal Year	State %	State Share	Federal %	Federal Share	Total Funds for HIV Testing
FY 2010	32.51%	\$40,487	67.49%	\$84,051	\$124,538
FY 2011	32.94%	\$43,484	67.06%	\$88,527	\$132,011
FY 2012	33.01%	\$46,191	66.99%	\$93,740	\$139,931
FY 2013	33.01%	\$48,963	66.99%	\$99,364	\$148,327

12. For FY 2008 the average cost of HIV treatment per client excluding pharmacy was \$4,047. Pharmacy cost per client is estimated to be \$332. Therefore the total approximate annual cost for treating HIV related conditions is \$4,379 per client.
13. Based on the additional HIV testing of 6,486 clients, it is estimated that 2 clients per year will be found to be HIV positive and will require treatment for a total of \$8,758 ( $\$4,379 \times 2 = \$8,758$ ) in FY 2010. We have used a 6% annual inflation rate.
14. The benefit funding for HIV treatment is based on the Federal Medical Assistance Percentage (FMAP), in the following amounts:

**Benefit Funding HIV Treatment**

Fiscal Year	State %	State Share	Federal %	Federal Share	Total Funds for HIV Treatment
FY 2010	32.51%	\$2,847	67.49%	\$5,911	\$8,758
FY 2011	32.94%	\$3,058	67.06%	\$6,226	\$9,283
FY 2012	33.01%	\$3,248	66.99%	\$6,592	\$9,840
FY 2013	33.01%	\$3,443	66.99%	\$6,988	\$10,431

15. The combined costs for new testing and treatment is estimated as follows:

**Total Funds**

Fiscal Year	State %	State Share	Federal %	Federal Share	Total Funds
FY 2010	32.51%	\$43,335	67.49%	\$89,961	\$133,296
FY 2011	32.94%	\$46,542	67.06%	\$94,752	\$141,294
FY 2012	33.01%	\$49,440	66.99%	\$100,331	\$149,771
FY 2013	33.01%	\$52,406	66.99%	\$106,352	\$158,758

	<b><u>FY 2010 Difference</u></b>	<b><u>FY 2011 Difference</u></b>	<b><u>FY 2012 Difference</u></b>	<b><u>FY 2013 Difference</u></b>
<b><u>Fiscal Impact:</u></b>				
<b><u>Expenditures:</u></b>				
Benefits	\$133,296	\$141,294	\$149,771	\$158,758
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$43,335	\$46,542	\$49,440	\$52,406
Federal Special Revenue (03)	<u>\$89,961</u>	<u>\$94,752</u>	<u>\$100,331</u>	<u>\$106,352</u>
<b>TOTAL Funding of Exp.</b>	<b><u>\$133,296</u></b>	<b><u>\$141,294</u></b>	<b><u>\$149,771</u></b>	<b><u>\$158,758</u></b>
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	<u>\$89,961</u>	<u>\$94,752</u>	<u>\$100,331</u>	<u>\$106,352</u>
<b>TOTAL Revenues</b>	<b><u>\$89,961</u></b>	<b><u>\$94,752</u></b>	<b><u>\$100,331</u></b>	<b><u>\$106,352</u></b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	(\$43,335)	(\$46,542)	(\$49,440)	(\$52,406)
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

\_\_\_\_\_  
*Sponsor's Initials*\_\_\_\_\_  
*Date*\_\_\_\_\_  
*Budget Director's Initials*\_\_\_\_\_  
*Date*